IN THE HIGH COURT OF JUDICATURE AT BOMBAY

CIVIL APPELLATE JURISDICTION

WRIT PETITION NO. 3715 OF 1995

Thane District Central
Co-operative Bank Ltd. & Anr. ...Petitioners

Versus

The State of Maharashtra & Anr. ...Respondents

Mr. P.M. Pradhan for the Petitioners

Mr. P.P. Kakde, Assistant Government Pleader,
for Respondents No. 1 and 2.

CORAM: V.G. PALSHIKAR, Ag.C.J., &
D.B. BHOSALE, J.
DATE: NOVEMBER 14, 2005.

P.C.:-

1. By this petition, the petitioners have challenged order dated 7th June, 1995 correcting an earlier order dated 13th September, 1993. By the amending order, inquiry under Section 88 of the Maharashtra Co-operative Societies Act, 1960 (for short, 'the Act') was ordered against one Mr. Sinha and other directors and officers of the bank. Such action under Section 88 is possible and permissible.

2. The only apprehension expressed on behalf of the petitioners is that such an inquiry may go on, but further action on the presumption that the inquiry is complete need not be taken, and the actions to be taken after Section 88 proceedings are complete must go on in accordance with law.

3. All that has been ordered is an inquiry under Section 88 of the Act. Section 88 itself postulates opportunity of hearing to all concerned. It also provides for hearing to the persons or legal representatives of the person concerned who has died during the inquiry. Such being the provision, adequate opportunity shall be available to all the directors and officers of the bank, but after the inquiry under Section 88 of the Act commences. It need not be mentioned that on conclusion of such inquiry under Section 88, further action be taken only in accordance with the provisions of the Act and the Rules framed thereunder. The petition is accordingly disposed of.